

# State of support

Funding for local Healthwatch 2019/20

February 2020

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## About this briefing

Healthwatch is the independent champion for people who use health and social care.

Across England, there are 151 local Healthwatch services. Their statutory role is to find out what people want from health and care and to share these views with those running services to help make them better. Local Healthwatch also provide people with information and advice about local services.

Our work is funded by the Department of Health and Social Care (DHSC), which makes money available to local councils, so they can commission an effective local Healthwatch.

To enable the DHSC to track what is happening to its investment, each year we analyse the funding received by local Healthwatch to carry out their work.

This briefing sets out how much of the DHSC's investment has made its way to local Healthwatch teams for 2019/20 to fund their work understanding the wants and needs of patients, care users and the wider public.

## Context: Rising investment in the NHS

In July 2018 the Government announced significant extra investment to help the country's hospitals, GP surgeries and other NHS services cope with growing demand.

The new funding settlement will see NHS spending rise by an average of 3.4% each year in real terms between 2019/20 and 2023/24. This compares with an average annual growth of 1.6 per cent between 2010/11 and 2018/19.

Subsequent announcements have been made by the Government about extra capital investment to develop much needed new buildings, equipment and technology.

These commitments will see tens of billions more spent on the NHS over the next five years to enable the NHS to deliver the ambitions set out in the Long Term Plan.

### Ensuring taxpayers get value for money

Healthwatch played a vital role in helping NHS England understand where patients and the broader public think the extra money should be spent.

We fed the views of over 85,000 people into the development of the Long Term Plan. This was made possible through our core statutory funded work which enables us to continually gather and analyse insights shared by those who are using health and care services.

Between March and May 2019 we also engaged a further 40,000 people in helping the NHS understand how the commitments in the Long Term Plan could be delivered in different communities across the country. This was a significant undertaking for the Healthwatch

network and was supported by a £500,000 grant from NHS England. Read about what we found [here](#).

To understand if the extra investment in the NHS is delivering the changes people said they wanted to see, it is vital that we have a well-resourced Healthwatch network to continue engaging with people and listening to their experiences.

## Headline numbers for 2019/20

- The 151 Healthwatch in England expect to collectively receive £25,536,039 from local authorities to carry out their statutory activities in 2019/20.
- Reported funding for local Healthwatch for this year has therefore fallen by 2.0 per cent when compared to the £26,067,997 received in 2018/19.
- Funding reductions over last three years are therefore as follows:
  - 2017/18 - 7.5 per cent (actual)
  - 2018/19 - 4.3 per cent (actual)
  - 2019/20 - 2.0 per cent (projected)
- This suggests that the rate of reduction across the network as a whole is slowing, and that hard-pressed councils are trying to protect budgets where possible.
- However, these reductions must be seen in the context of falling budgets over time. Since 2013, the Healthwatch network has seen core funding from councils fall by 36.6% per cent compared with the original allocation of £40.3 million set out by the DHSC.
- As in previous years, it is also important to note that budget reductions have not been evenly spread across the network.
  - The budget reductions in 2019/20 were concentrated across 33 local Healthwatch.
  - 18 of these budget cuts were brought in through a formal retendering or contract extension exercise. The other 15 were 'in contract' reductions.
  - The average (mean) reduction was 9% (£17,800) but this ranged from 1% to 46% with the most commonly occurring (mode) reduction being 5%.

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<sup>1</sup> £26,067,997 is the adjusted figure for 18/19 which represents the actual budget received, replacing the projected figure of £26,064,086 that was reported in the [State of Support 2018/19 report](#).

- In total, the 33 Healthwatch affected this year are receiving £3,162,432 under the amount DHSC initially earmarked for the service in their area. This represents a 41.8 per cent reduction in core statutory funding.
- Given the vast majority of local Healthwatch funding is spent on staff time, even small reductions can have a big impact on their ability to carry out their statutory duties. We have seen budget cuts result in:
  - Healthwatch reducing the operating hours for their advice and information service so that help is not available for local people five days a week.
  - Local Healthwatch Chief Officers having to cut the number of days they work, to as low as one day a week in some areas, or local Healthwatch having to share a Chief Officer reducing their capacity to influence.

## Demand is on the rise

Whilst the network's resources continue to fall, the demand for our services and insight are on the rise. Responses to the annual data return survey show that in 2018/19:

- Our network engaged with / supported 749,000 people.
- They produced 1,873 local insight reports. [Examples](#) of local Healthwatch work in 2018/19 include:
  - [Healthwatch Wirral](#) worked a group of 29 GP surgeries to develop and deliver an accredited training course for more than 200 staff to help them improve the customer service provided by practices across the federation.
  - [Healthwatch Luton](#) worked with their Clinical Commissioning Group to bring over 400 local young people together for a special conference to gather their experiences of NHS and social care and provide them with more tailored information about the services available to them.
  - [Healthwatch East Sussex](#) helped bring together services to provide integrated support, including more staff and increased investment in services, for vulnerable residents living in emergency and temporary accommodation. The work carried out by Healthwatch was vital in helping those in charge of designing these new services to really understand the particular challenges faced by this group of service users.
- 85 per cent of recommendations made by Healthwatch were accepted by local commissioners and providers, with local Healthwatch reporting 29 per cent of their recommendations have already resulted in tangible improvements.

- 65 per cent of Healthwatch CEOs said they are being approached more often by stakeholders for information and expertise on engaging the public than they were this time last year.
- Our input at strategic decision-making levels is growing, with 50 local Healthwatch reporting they now sit on their Sustainability and Transformation Partnership/Integrated Care System governance boards. In total 83 Healthwatch report being involved in these regional structures by supporting various workstreams.

## Transparency of Healthwatch funding mechanisms

The funding for local Healthwatch comes from the Department of Health and Social Care (DHSC) but is provided through two separate funding channels.

The larger part of the funding comes through the central government grant to local government. The DHSC therefore delegates the distribution of this to the Ministry of Housing, Communities and Local Government (MHCLG).

The smaller part of the Healthwatch funding is provided direct to councils by the DHSC via the annual Local Reform Community Voices grant (LRCV). This is set out in the Local Authority Social Services Letter (LASSAL) letter which clearly states, “the larger proportion [of Healthwatch funding] having been rolled in to the local government settlement in 2011/12”.

However, analysis of the 2019/20 Healthwatch funding shows that this is not what is happening on the ground.

- A total of 71 local Healthwatch, almost half the network, now get most of their funding via the LRCV Grant. 84 local Healthwatch now receive less funding than that provided for the LINKs (Local Involvement Networks).
- What is even more worrying is that we have now identified six local Healthwatch who are only receiving the money provided through the LRCV grant to fund their statutory activities.
- It is not possible to say for certain how much money being provided by the DHSC to councils for Healthwatch is being diverted elsewhere as the DHSC has not published a total figure since 2013/14. (Note the figure at this time was £40.3 million).

- However, if councils were following the LASSL letter then we would expect as a bare minimum for the Healthwatch network to be receiving an extra £2.8 million.<sup>2</sup>

## What action is Healthwatch England taking

Over the last two years, Healthwatch England has been stepping up efforts to address the growing funding issues facing the network. This has seen us:

- Supporting local authorities to commission an effective Healthwatch service;
- Putting in place the tools commissioners need to monitor the quality and impact of their Healthwatch; and we have more than twenty local authorities now using the new Healthwatch Quality Framework to inform the commissioning of their Healthwatch.
- Exercising our statutory powers where we believe the viability of a service has been put at risk by a local authority's commissioning decision.
- Advising local authorities on compliance of their Healthwatch specification with the Healthwatch brand guidelines.

## Breakdown of 2019/20 funding for individual Healthwatch

Local Healthwatch	18/19 funding (£)	19/20 funding (£)	Change (%)
Barking and Dagenham	£113,591	£113,591	0%
Barnet	£128,000	£128,000	0%
Barnsley	£150,000	£150,000	0%
Bath and North East Somerset <sup>3</sup>	£82,237	£80,000	-3%
Bedford Borough	£93,380	£94,760	1%

<sup>2</sup> The LASSL letter states that it (£14.15 m) is the smaller part of the funding being provided for local Healthwatch. We therefore must assume that as a bare minimum the total the DHSC must be making available is just over twice the LRCV amount. This would put the total funding at £28.3 million, £2.8 million more than local Healthwatch say they will receive this year.

<sup>3</sup> 18/19 figure updated from the £80,000 reported previously. Final 19/20 figure pending publication of the LRCV grant for 19/20.

Bexley	£100,000	£100,000	0%
Birmingham	£445,382	£419,932	-6%
Blackburn with Darwen	£165,000	£148,000	-10%
Blackpool	£58,000	£58,000	0%
Bolton	£175,000	£150,000	-14%
Bracknell Forest	£65,000	£65,000	0%
Bradford and District	£180,000	£180,000	0%
Brent	£149,000	£149,000	0%
Brighton and Hove	£190,000	£178,600	-6%
Bristol <sup>4</sup>	£160,000	£138,715	-13%
Bromley	£80,181	£78,000	-3%
Buckinghamshire	£170,000	£170,000	0%
Bury	£122,000	£122,000	0%
Calderdale	£78,000	£78,000	0%
Cambridgeshire	£287,602	£287,602	0%
Camden	£200,000	£200,000	0%
Central Bedfordshire	£144,200	£144,200	0%
Central West London	£450,000	£450,000	0%

<sup>4</sup> 18/19 figure updated from £160,720 reported previously. 19/20 estimated figure based on two separate contracts.

Cheshire East <sup>5</sup>	£168,003	£168,003	0%
Cheshire West and Chester <sup>6</sup>	£166,987	£166,987	0%
City of London <sup>7</sup>	£55,000	£38,921	-
Cornwall	£300,000	£304,000	1%
County Durham	£197,500	£197,500	0%
Coventry	£195,616	£195,616	0%
Croydon	£185,154	£185,154	0%
Cumbria <sup>8</sup>	£247,450	£253,483	2%
Darlington	£73,000	£73,000	0%
Derby	£235,000	£235,000	0%
Derbyshire	£320,000	£320,000	0%
Devon	£390,995	£370,945	-5%
Doncaster <sup>9</sup>	£216,360	£216,360	0%
Dorset	£372,030	£200,112	-46%
Dudley	£206,000	£206,000	0%

<sup>5</sup> 18/19 figure updated from the £168,503 reported previously. Both years include funding for Independent Health Complaints Advocacy, which cannot be split out from funding to deliver Healthwatch statutory activities.

<sup>6</sup> 18/19 figure updated from the £167,487 reported previously. Both years include funding for Independent Health Complaints Advocacy, which cannot be split out from funding to deliver Healthwatch statutory activities.

<sup>7</sup> 19/20 figure covers funding from September 19 to March 20.

<sup>8</sup> 18/19 figure updated from the £250,173 reported previously.

<sup>9</sup> 18/19 figure updated from the £213,000 reported previously.



Ealing	£140,000	£140,000	0%
East Riding of Yorkshire <sup>10</sup>	£171,999	£172,510	0%
East Sussex	£376,000	£376,000	0%
Enfield	£204,525	£180,000	-12%
Essex	£420,000	£420,000	0%
Gateshead	£150,000	£140,250	-7%
Gloucestershire	£209,907	£209,907	0%
Greenwich	£129,000	£129,000	0%
Hackney	£150,000	£150,000	0%
Halton	£121,715	£121,715	0%
Hampshire	£249,518	£249,518	0%
Haringey	£160,000	£160,000	0%
Harrow	£75,000	£65,000	-13%
Hartlepool <sup>11</sup>	£116,150	£116,150	0%
Havering	£117,359	£117,359	0%
Herefordshire	£140,000	£140,000	0%
Hertfordshire	£376,593	£376,593	0%
Hillingdon <sup>12</sup>	£158,000	£158,000	0%

<sup>10</sup> 18/19 figure updated from £160,000 reported previously.

<sup>11</sup> 18/19 figure updated from £129,056 reported previously.

<sup>12</sup> 18/19 figure updated from £156,000 reported previously.

Hounslow	£85,000	£85,000	0%
Isle of Wight	£147,000	£147,000	0%
Isles of Scilly	£45,507	£44,600	-2%
Islington	£155,000	£156,000	1%
Kent	£511,000	£511,000	0%
Kingston upon Hull <sup>13</sup>	£160,000	£162,900	2%
Kingston upon Thames	£122,000	£122,000	0%
Kirklees	£185,000	£185,000	0%
Knowsley	£171,000	£171,000	0%
Lambeth	£225,115	£225,115	0%
Lancashire <sup>14</sup>	£372,706	£319,417	-14%
Leeds	£374,000	£374,000	0%
Leicester	£143,086	£142,773	0%
Leicestershire	£156,570	£156,766	0%
Lewisham	£107,428	£107,428	0%
Lincolnshire	£299,600	£299,600	0%
Liverpool	£401,543	£401,543	0%
Luton	£119,325	£119,325	0%

<sup>13</sup> 18/19 figure updated from the £161,000 reported previously. Both years include funding for Independent Health Complaints Advocacy, which cannot be split out from funding to deliver statutory Healthwatch activities.

<sup>14</sup> 18/19 figure updated from the £406,588 reported previously.

Manchester	£80,000	£80,000	0%
Medway <sup>15</sup>	£126,375	£121,550	-4%
Merton	£125,000	£125,000	0%
Middlesbrough <sup>16</sup>	£82,700	£82,700	0%
Milton Keynes	£158,644	£158,644	0%
Newcastle	£207,578	£207,578	0%
Newham	£120,000	£125,000	4%
Norfolk	£338,000	£338,000	0%
North East Lincolnshire	£112,340	£112,340	0%
North Lincolnshire	£115,640	£115,640	0%
North Somerset <sup>17</sup>	£119,300	£86,713	-27%
North Tyneside	£131,898	£131,898	0%
North Yorkshire	£142,460	£142,460	0%
Northamptonshire	£195,000	£195,000	0%
Northumberland	£199,666	£199,666	0%
Nottingham	£138,000	£123,000	-11%
Nottinghamshire	£198,000	£198,000	0%
Oldham	£135,000	£135,000	0%

<sup>15</sup> 18/19 figure updated from £128,000 reported previously.

<sup>16</sup> 18/19 figure updated from £85,000 reported previously.

<sup>17</sup> 19/20 estimated figure based on two separate contracts.

Oxfordshire	£235,948	£243,047	3%
Peterborough	£187,500	£187,500	0%
Plymouth	£111,899	£111,899	0%
Portsmouth	£79,938	£70,560	-12%
Reading	£110,500	£101,749	-8%
Redbridge	£116,309	£116,309	0%
Redcar and Cleveland <sup>18</sup>	£82,700	£82,700	0%
Richmond upon Thames	£146,000	£146,000	0%
Rochdale <sup>19</sup>	£136,066	£136,066	0%
Rotherham <sup>20</sup>	£156,735	£136,735	-13%
Rutland	£66,500	£66,600	0%
Salford	£166,000	£166,000	0%
Sandwell	£195,000	£180,250	-8%
Sefton	£143,281	£143,281	0%
Sheffield	£209,960	£209,960	0%
Shropshire	£143,650	£144,407	1%
Slough	£90,000	£90,000	0%

<sup>18</sup> 18/19 figure updated from £85,000 reported previously.

<sup>19</sup> 18/19 figure updated from the £136,000 reported previously.

<sup>20</sup> Both years include funding for Independent Health Complaints Advocacy, which cannot be split out from funding to deliver Healthwatch statutory activities.

Solihull <sup>21</sup>	£157,538	£157,673	0%
Somerset	£190,000	£190,000	0%
South Gloucestershire <sup>22</sup>	£100,000	£76,747	-23%
South Tyneside	£103,409	£103,409	0%
Southampton	£132,000	£133,251	1%
Southend <sup>23</sup>	£120,875	£118,750	-2%
Southwark <sup>24</sup>	£120,080	£120,080	0%
St Helens	£149,500	£149,500	0%
Staffordshire	£210,000	£205,000	-2%
Stockport <sup>25</sup>	£98,000	£98,000	0%
Stockton-on-Tees	£130,000	£130,000	0%
Stoke <sup>26</sup>	£193,084	£183,508	-5%
Suffolk	£484,014	£484,014	0%
Sunderland	£150,000	£150,000	0%
Surrey	£504,120	£504,120	0%

<sup>21</sup> 18/19 figure updated from the £157,675 reported previously.

<sup>22</sup> 19/20 estimated figure based on two separate contracts.

<sup>23</sup> 18/19 figure updated from £121,500 reported previously.

<sup>24</sup> 18/19 figure updated from the £120,000 reported previously.

<sup>25</sup> 18/19 figure updated from £88,000 reported previously, now includes funding for Information and Signposting statutory activity.

<sup>26</sup> 18/19 figure updated from the £162,500 reported previously, now covers funding from April 2018 to March 2019.

Sutton	£110,000	£110,000	0%
Swindon	£143,424	£137,424	-4%
Tameside <sup>27</sup>	£115,600	£115,600	0%
Telford and Wrekin	£100,000	£100,000	0%
Thurrock	£124,000	£124,000	0%
Torbay <sup>28</sup>	£120,000	£120,000	0%
Tower Hamlets	£179,716	£179,716	0%
Trafford	£118,500	£124,500	5%
Wakefield	£214,301	£211,335	-1%
Walsall	£150,800	£183,466	22%
Waltham Forest <sup>29</sup>	£135,000	£130,000	-4%
Wandsworth	£185,810	£185,810	0%
Warrington <sup>30</sup>	£146,666	£140,000	-5%
Warwickshire	£215,000	£215,000	0%
West Berkshire	£108,924	£103,462	-5%
West Sussex <sup>31</sup>	£269,100	£269,100	0%

<sup>27</sup> 18/19 figure updated from the £135,805 reported previously, which had included funding for Independent Health Complaints Advocacy.

<sup>28</sup> 18/19 figure updated from £114,000 reported previously.

<sup>29</sup> Both years include funding for Independent Health Complaints Advocacy, which cannot be split out from funding to deliver Healthwatch statutory activities.

<sup>30</sup> 18/19 figure updated from the £129,999 reported previously.

<sup>31</sup> Final 19/20 figure pending publication of the LRCV grant for 19/20.

Wigan <sup>32</sup>	£200,000	£200,000	0%
Wiltshire	£181,349	£179,617	-1%
Windsor, Ascot and Maidenhead	£65,000	£65,000	0%
Wirral	£170,000	£170,000	0%
Wokingham <sup>33</sup>	£102,848	£98,018	-5%
Wolverhampton	£194,289	£194,289	0%
Worcestershire	£289,000	£274,550	-5%
York	£120,149	£122,898	2%

<sup>32</sup> Both years include funding for Independent Health Complaints Advocacy, which cannot be split out from funding to deliver Healthwatch statutory activities.

<sup>33</sup> 18/19 figure updated from the £102,507 reported previously.